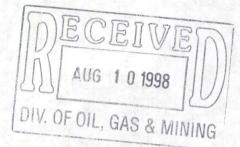


United States Department of the Interior M/047/010

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155



IN REPLY REFER TO UTU-060749 (UT-930)

AUG 7 1998

CERTIFIED MAIL--Return Receipt Requested

Mr. Neldon Kunz American Gilsonite Company Bonanza, Utah 84008

Re:

Request for Further Information for the Mine Plan for Federal Gilsonite

Lease UTU-060749.

Dear Mr. Kunz:

LOCATION: SEYM NWY49 SWIMNEM SEC35, TAS RZME,

The Bureau of Land Management has reviewed your Mining Plan for Federal Gilsonite Lease UTU-060749 and requests the following information:

Dimensioned locations shown on a scaled map:

- a. Shafts
- b. Disturbed area (including blast and power line area)
- c. Hoist house
- d. Other out buildings
- e. Waste rock location
- f. Location of topsoil stockpile
- g. Location of drain fields (if any)
- h. Roads
- I. Bins
- j. Explosive storage
- k. Tanks and berms (fuel, water etc.)
- 1. Detail on shaft collar including the height
- m. Escapeway ways
- n. Power takeoffs. An authorization for the existing power line cannot be found. Authorization is required through the mine plan or through a Right-of-Way. If the power line is processed as part of the mine plan, then a reclamation plan is required for the power lines. The plan must indicate the status of the power poles concerning the issue of raptor protection. If the poles are not protected then the plan must state how this will be accomplished.

Equipment details: (size and description)

- a. Hoist
- b. Generator
- c. Shaft Conveyance Bucket
- d. Vacuum
- e. Storage Bin Dimensions
- f. Dust Collector (if necessary)
- g. Compressor
- h. Chipping Hammers
- I. Details on Escape Hoist

Additional details on the mining method

- a. Sequencing
 - 1. Starting location
 - 2. Time frame for mining in each panel
 - 3. Support pillars for the escapeways are not discussed
- b. Estimated depth of reserve

Additional details on pollutants:

- a. Since chemical toilets will be used, how will washing facilities be handled?
- b. It has been our experience that placing straw in the drainages does not work for sediment/gilsonite control because the antelope eat the straw. Please discuss how this will be avoided. Will sumps and drain fields be utilized?
- c. Describe topsoil stabilization
- d. How will damage to vegetation be controlled?
- e. Discuss the types of drill rigs to be utilized for blasting closed the vein at the completion of the project and the anticipated product to be used for blasting material. Also identify the drilling fluids that will be utilized. If water will be used, please list where the water will be obtained from.

Additional details on Fire Control:

Fire Control. Fire extinguishers only address the early stages of a fire. Address the measures of total fire control. Please list the type and size of fire extinguishers for fighting fires in the early stages. Also discuss the measures of fighting fires that may arise that are beyond the early stages.

If you have any questions, please contact Mr. Stan Perkes at (801) 539-4036.

Sincerely,

/s/ Douglas M. Koza

Douglas M. Koza Deputy State Director, Natural Resources

bcc: Vernal Field Office

Utah Division of Oil, Gas and Mining (Attn. Tony Gallegos)

UT-060749 UT-931, SPerkes Solid Chron